

CHELAN COUNTY, WASHINGTON
Special Audit
December 1, 1988 Through August 31, 1993

Schedule Of Findings

1. Chelan County Accounting Records Were Falsified By The Sheriff's Department

During the period January 1, 1989, through December 31, 1992, Chelan County made payments to Cascade Helicopters, Inc. (Cascade) totaling \$14,092.40 for materials and/or labor which had not been received at the time the claim was approved. These payments were based on invoices prepared by Cascade at the request of Captain Richard Peterson of the Chelan County Sheriff's Department and were simply credited to the account of the sheriff's department by Cascade.

RCW 42.24.110 states in part:

Any person who knowingly approves or pays or causes to be approved
or paid a false or untrue claim shall be guilty of a gross misdemeanor .
...

Furthermore, the certification required by RCW 42.24.080 and signed by sheriff's department personnel on the face of the county claims voucher states:

I, the undersigned, do hereby certify under penalty of perjury, that the materials have been furnished, the services rendered or the labor performed as described herein, and that the claim is a just, due and unpaid obligation against CHELAN COUNTY, and that I am authorized to authenticate and certify to said claim.

The payments in question were made in January 1989, 1990, 1991, and 1992, which allowed them to be charged to the prior year's budget. This practice allowed the sheriff's department to remove public funds from the control of the county commission and, in effect, carry over to the following fiscal year its unused budget appropriation which otherwise would have lapsed. As of September 1, 1993, the sheriff's department's credit balance at Cascade was \$5,189.72. At the request of the county auditor, this amount was refunded to the county.

This condition was due to the desire of sheriff's department personnel to ensure the existence of sufficient resources to continue operation of the county's helicopter program from year to year.

We recommend that county personnel refrain from submitting claims for payment for materials and/or services which have not been received. We further recommend the Washington State Office of the Attorney General and the Chelan County Prosecuting Attorney review this matter and take whatever action is deemed necessary under the circumstances.

